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Andrew O. Kaplan, Hearing Officer
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, Massachusetts 02110

July 31, 2000

Re: Metering, Billing and Information Systems, D.T.E. 00-41

Dear Mr. Kaplan:

The Department has asked for comments on the possible competitive provision of Metering, Billing and Informational Services for electricity supply customers in Massachusetts. MHI, Inc., is a wholly owned, non-profit subsidiary of the Massachusetts Health and Educational Facilities and operates the PowerOptionsSM consortium of non-profit and public sector institutions. PowerOptionsSM currently has 409 members with contracts for competitively supplied electricity to their 9,000 accounts and a total membership of over 700 non-profit and public sector institutions who have joined over the last three years. As consumers we do not have access to some of the specific information identified in your docket request, but we do have substantial experience with the current systems. In that spirit we have worked with the Suppliers and Aggregators group to review their comments and have developed the following thoughts for your consideration:

1.) We believe competition will enhance the development of an efficient and innovative energy marketplace and, thus, we are generally in support of development of competitive billing and information services. There are many issues such as who controls the information and the assurance of customer privacy that must be worked out (and should be resolved prior to permitting competition in MBIS), but in general we believe consumer choice is a superior approach rather than current single supplier model;

2.) You asked particularly whether the competitive market could supply these services less expensively. We have no independent analysis on that point, but would encourage you to include in your analysis the concept of value as well as cost. Alternate billing systems and alternate information formats may substantially improve the utility and flexibility of customer options for access and use of the data. Other deregulated industries have demonstrated that improving the ability of customers to effectively utilize relevant data is as desirable as simply reducing cost;

3.) An important consideration when reviewing the current provision of a consolidated bill by the LDCs is the associated issue of Order of Payment. Under the

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current system, it is likely that these payment issues will cause problems in bilateral contracts which contain penalties for accounts which are in arrears or for other related billing reasons. This issue is a concern to the consumer under both the current situation and any new consolidated bill provided by the supplier; and any new system should be flexible enough to meet most, if not all, competitive supply contract terms.

4.) While the issue of competitive metering is complex because of existing investment in hardware, we believe advanced metering is a critical component to demand bidding. As noted by FERC in its June 28, 2000 order regarding the New England market, the opportunity for participation by the load side in setting prices helps balance the market and establishes better dynamics. Timely access to relevant quality consumption data is critical to customers' participation and can be made available more effectively through market channels than through tailoring of mass-processing utility systems. We urge the DTE to consider adopting rules which encourage the spread and use of "state-of-the-art" metering; and,

5.) It is important to consumers actively engaged in the competitive market that they have access to data to adequately describe their load characteristics to potential suppliers. Access to that data should be free and readily available to the customer under both the existing model and a new, competitive MBIS model.

We recognize that much of the data you have asked for is available only through LDCs and suppliers. However, we urge the Department to look beyond the immediate questions of cost and the traditional provision of these services and decide what will provide the most flexible "shopping" environment for the customer.

Sincerely,

Robert Ciolk

President